

FOR SALE BY ONLINE AUCTION

Three historic buildings on 2.2 acres

Sale Method:	Online Auction	Property Code: 012
Auction Starts:	August 29, 2006	GSA Control Number: 5-D-MN-548-A
Auction Ends:	Based on bid activity	
Registration Deposit:	\$10,000	
Minimum Bid Increments:	\$5,000	

GSA Home Page:
<http://propertydisposal.gsa.gov>

Online Auction:
<http://www.auctionrp.com>

For property information or to schedule an inspection, please call:
Lisa Tangney (312) 886-9480
E-mail: lisa.tangney@gsa.gov

Submit Initial Bids with deposits to:

U.S. General Services Administration
Property Disposal Division (1PR)
Attn: Lisa Faletra/Alyssa Kennedy
Thomas P. O'Neill Federal Building
10 Causeway Street, Room 925
Boston, Massachusetts 02222

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A sale by the U.S. General Services Administration

Important Notice

Bidders **should read all pages and all sections** of the **Invitation for Bids (IFB)** **before making a bid.** This is **Invitation for Bid No. 1PRC-06-012.**

Bids **must be made** on the **Bid Forms** contained in this **Invitation for Bids.**

All bids **must include** a **bid deposit** as described in the **Instructions for Bidders.**

All bidding **shall begin** at the amounts specified on the Bidder Registration Form and on the auction webpage.

All payments must be made by **Certified** or **Cashier's Check.**

All Checks must be payable to **U.S. General Services Administration.**

If you wish to have your bid deposit returned to you via direct (Electronic Funds Transfer) deposit, please fill out and return page 22 of this IFB.

GSA is not responsible for the accuracy of any IFB that was not obtained directly from the United States Government.

Bidders should check the websites <http://propertydisposal.gsa.gov/Property> and <http://www.auctionrp.com/auctions2/> for changes and/or updates.

U.S. General Services Administration
Thomas P. O'Neill Federal Building
Property Disposal Division
10 Causeway Street, Room 925
Boston, MA 02222

INVITATION FOR BIDS

This Invitation for Bids contains information and forms necessary for interested parties to bid to purchase the property which is the subject of this sale. It shall be the responsibility of each bidder to familiarize him or herself with this Invitation for Bids, including the General and Special Terms of Sale, the Instructions to Bidders for Online Auction, the Bid Registration Form, and any other information or materials included in the Invitation for Bids or that may be made available under separate cover.

The auction will commence at 3:00 p.m., Eastern Time, on Tuesday, August 29, 2006. The auction has no preset closing date but will conclude in accordance with the procedures set forth in Paragraph 11, "Call for Final Bids," of the "Instructions to Bidders for Online Auction."

Parties interested in bidding on this property must register to bid in accordance with the Instructions to Bidders for Online Auction. As part of that registration, bidders must submit a deposit of \$10,000.00 before bidding on the property; see Paragraph 4 of the "Instructions to Bidders for Online Auction" information. Bidding shall be in increments of \$5,000.00. This is **Invitation for Bid (IFB) No: 1-PRC-06-012.**

For information about this property and the procedures and terms of sale, or to make arrangements to view the property, contact:

Lisa Tangney
U.S. General Services Administration
Property Disposal Division
Chicago Operations Branch(1PRC)
230 South Dearborn Street
Room 3774, MS# 37-13
Chicago, Illinois 60604
Telephone: (312) 886-9480
Fax: (312) 886-0901
E-Mail: lisa.tangney@gsa.gov

Online bidding will take place at: <http://www.auctionrp.com>

Additional information regarding GSA's Property Disposal program is available at the Property Disposal Home Page: <http://propertydisposal.gsa.gov>

Property Description

LOCATION AND DESCRIPTION OF PROPERTY

The property consists of three wood-frame buildings situated on 2.2 acres of fee-owned land with associated driveway, parking area, and landscaping. The buildings were constructed in 1935-36 and have been determined eligible for listing on the National Register of Historic Places for its association with the development of the administrative facilities and ranger station network in the Chippewa National Forest. The street address of the property is: 307 Main Street East, Cass County, Remer, Minnesota.

The 1.5 level office building consists of approximately 1,560 sq. ft., primarily wood construction and bevel siding with an unfinished basement. Two, 30-gallon hot water heaters, a forced air Temp Star Furnace, 100 amp circuit breaker electrical system, two heating oil tanks, sump pump, water pressure tank, water softener, and bladder tank.

The maintenance building consists of approximately 2,240 sq. ft., post and beam construction with wood frame and concrete slab, three bay doors, with 50-amp circuit breaker electrical system. The 180 sq. ft. oil storage building is of wood construction with a concrete floor and was primarily used for heating oil storage.

In 1935 the Forest Service acquired six acres for an administrative site associated with the Chippewa National Forest. During the 1970's, the Army Corps of Engineers (Corps) entered into a land exchange with the Forest Service thereby acquiring the six acres. In 1990, GSA disposed of 3.73 acres of the six in two sealed bid transactions. In 2003, the Corps reported the remaining 2.2 acres to GSA for disposal.

The property was previously used by the Corps as a central dispersing area for supplies and materials to the various reservoirs and recreation located in the Mississippi Headwaters project area. The property has been vacant since 2001.

REGIONAL DATA

The property is located in the north central part of Minnesota, Cass County, City of Remer, about 182 miles north of the Minneapolis/St. Paul area

and 30 miles southwest of Grand Rapids along State Route (SR) 6. The major interstates to Remer are: north/south U.S. Route 169, north/south SR 6, and east/west SR 200 (aka Main Street). Access to the property can be found by turning south onto the "L" shaped gravel driveway off Main Street.

As of 2000, Remer's population was 372. Grand Rapids, MN (population 7,764: year 2000 estimate), is a major city located less than 30 miles north of Remer. The City of Brainerd (population 13,178, year 2000 estimate) is also a bigger city located within 60 miles of Remer. The County seat for Cass County is located in Walker, MN (about 30 miles west of Remer).

SITE DATA

Containing a total of 2.2 acres, the property is reportedly located within Zone C, an area of minimal flooding. According to the United States Department of Agriculture-Natural Resources Conservation Service (USDA-NCRS), Delaware County, Ohio Soil and Water Conservation District, no official wetland determination on the property exists. A tile drainage system was reportedly installed and crosses the property as well as systematic subsurface drainage under the property. For further information, contact the USDA-NCRS (557-A Sunbury Road, Delaware, Ohio 43015-8656, (740) 365-4011).

The property is zoned residential. The Corps is a Federal tax exempt agency. Questions regarding taxes should be directed to the Cass County tax assessor (218) 547-7298 or email: cass.assessor@co.cass.mn.us.

UTILITIES

Utilities to the office building include: city sewer and water, electric power, with fuel oil heat. Electric power serves the maintenance and oil storage buildings.

ENVIRONMENTAL

The *Remer Office Environmental Site Assessment*, report (U.S. Army Corps of Engineers, St. Paul District, July 2000), and the Minnesota Pollution Control Agency (MPCA) Release Letter dated November 27, 2000, and the

No Further Action Required Letter by the Minnesota Department of Agriculture dated July 31, 2002, are available for public review at the Cass County Environmental Services Department Office, 300 Minnesota Avenue, Walker, MN. Phone: (218) 547-7241 and the Remer Area Chamber of Commerce, P.O. Box 101, Remer, Minnesota, phone: 1-800-831-5262.

LEGAL DESCRIPTION

The property is legally described as follows:

A parcel of land in the northwest quarter of the southeast quarter of Section 1, Township 141 North, Range 26 West of the 5th Principal Meridian, Cass County, Minnesota, more particularly described as:

Commencing at the northwest corner of said southeast quarter; thence south $01^{\circ}33'06''$ west along the west line of said southeast quarter a distance of 49.49 feet more or less to a monument, also the point of beginning; thence north $89^{\circ}04'51''$ east, RA north $89^{\circ}15'$ east, a distance of 170.80 feet to a monument; thence south $00^{\circ}40'00''$ east a distance of 243.42 feet to a monument; thence south $89^{\circ}15'00''$ east a distance of 20.00 feet to a monument; thence south $00^{\circ}40'00''$ east a distance of 267.69 feet to a monument; thence north $89^{\circ}08'59''$ west, RA north $89^{\circ}15'$ west, a distance of 203.69 feet to a monument on west line of said southeast quarter; thence north $00^{\circ}46'46''$ east, RA north $00^{\circ}40'$ west, along the said west line a distance of 510.82 feet, RA a distance of 511.2 feet, more or less to the point of beginning.

The parcel contains 2.2 acres more or less.

GENERAL TERMS OF SALE

(Government Real and Related Personal Property)

- 1. TERM – “INVITATION FOR BIDS”** The term “Invitation for Bids” (IFB) as used herein refers to the foregoing IFB and its Property Description; General Terms of Sale; the Instructions to Bidders for Online Auction; and the Environmental and Historic Notices and any provisions of the Bid Form and Acceptance; all of which are attached to this IFB and incorporated and made a part hereof; and as may be modified and supplemented by any addenda or amendments that may be issued prior to the time fixed in the IFB for the opening of bids or conducting of an auction.
- 2. DESCRIPTION PROVIDED:** The descriptions of the property set forth in the IFB and any other information provided therein with respect to said property are based on information available to the U.S. General Services Administration (GSA) Property Disposal Division and are believed to be correct, but any error or omission, including but not limited to the omission of any information available to the agency having custody over the property and/or any other Federal agency, shall NOT constitute grounds or reason for nonperformance of the contract of sale, or claim by Purchaser for allowance, refund, or deduction from the purchase price.
- 3. INSPECTION:** Bidders are invited, urged, and cautioned to inspect the property to be sold prior to submitting a bid. The failure of any bidder to inspect, or to be fully informed as to the condition of all or any portion of the property offered, will not constitute grounds for any claim or demand for adjustment or withdrawal of a bid after the bid opening or auction.
- 4. CONDITION OF PROPERTY:** The property is offered for sale and will be sold “AS IS” and “WHERE IS” without representation, warranty, or guarantee as to quantity, quality, title, character, condition, size, or kind, or that the same is in condition or fit to be used for the purpose for which intended, and claim(s) for any allowance or deduction upon such grounds will NOT be considered after the bid opening or conclusion of an auction.
- 5. ZONING:** Verification of the present zoning and determination of permitted uses thereunder, along with compliance of the property for present or proposed future use, shall be the responsibility of the bidder and the Government makes no representation in regard thereto. The Government does not guarantee that any zoning information is necessarily accurate or will remain unchanged. Any inaccuracies or changes in the zoning information shall NOT be cause for adjustment or rescission of any contract resulting from this Invitation for Bids or sales agreement. Please note that any reference to zoning is included for informational purposes only and is not to be relied upon by the bidder.
- 6. CONTINUING OFFERS:** Each bid received shall be deemed to be a continuing offer after the date of bid opening or auction for 60 calendar days, unless the bid is accepted or rejected by the Government before the expiration of the 60 calendar days. If the Government desires to accept any bid after the expiration of the 60 calendar days, the consent of the bidder shall be obtained prior to such expiration.
- 7. POSSESSION:**

 - a.** The successful bidder agrees to assume possession of the property within 15 calendar days of a written request given by the Government after acceptance of its bid. Should the successful bidder fail to take actual possession within such period, the bidder shall nonetheless be charged with constructive possession commencing at 12:01 a.m., local time at the location of the property, on the 16th calendar day after such request by the Government. The word “possession” shall mean either actual physical possession or constructive possession.
 - b.** Although by assuming possession under a., above, the bidder incurs certain responsibilities and obligations under other conditions of this contract, such

possession does not confer any right in the bidder either to make any alterations or improvements in or to the property or to use it for any purpose of its own without first obtaining the written approval of the Contracting Officer. Any such approval will be conditioned on the bidder paying to the Government for the privileges granted, for the period from the date of the approval to the date of conveyance, an amount equal to the interest for such interval of time on the unpaid balance of the purchase price. The interest rate shall be computed based on the yield of 10-year United States Treasury maturities as reported by the Federal reserve Board in "Federal Reserve Statistical Release H.15" plus 1½% rounded to the nearest one-eighth percent (1/8%) as of the date of bid acceptance.

8. INSURANCE:

- a. In the event a bid to purchase is accepted and possession of the property is assumed by the successful bidder prior to the date of conveyance, the successful bidder shall procure and maintain insurance at its own expense, effective for the period from the date of assumption of possession to the date of conveyance, for the benefit of the Government, in such kinds and amounts as may be required by the Government, in companies acceptable to the Government.
- b. Fire, extended coverage, vandalism and malicious mischief, and such other property insurance as required to protect the Government's interest shall be maintained on the real and personal property covered by the bid, and shall be in such amounts which, after taking into account the coinsurance provision, if any, of the insurance policies, will protect the unpaid indebtedness.
- c. Information concerning insurance requirements will be furnished by:

General Services Administration
Property Disposal Division
Chicago Operations Branch
230 South Dearborn Street
Room 3774, MS#37-13
Chicago, Illinois 60604
Telephone: (312) 353-6045

9. TAXES AND CLOSING COSTS:

As of the date of assumption of possession of the property, or the date of conveyance, whichever occurs first, the successful bidder shall assume responsibility for all general and special real and personal property taxes which may have been or may be assessed on the property and to prorate sums paid, or due to be paid, by the Government in lieu of taxes. All closing costs, including escrow and financing fees, shall be borne solely by the successful bidder.

- ## **10. RISK OF LOSS:**
- As of the date of assumption of possession of the property, or the date of conveyance, whichever occurs first, the successful bidder shall assume responsibility for care and handling and all risks of loss or damage to the property and shall have all obligations and liabilities of ownership. In the event of a major loss or damage to the property as a result of fire or other cause, during the period of time between acceptance of the bid by the Government and the date of conveyance, such loss or damage shall NOT be considered grounds for invalidating the contract of sale or reduction of the purchase price.

11. REVOCATION OF BID AND

DEFAULT: In the event of revocation of a bid after the opening of bids or conducting of an auction but prior to acceptance, or in the event of revocation of a bid after notice of acceptance, or in the event of any default by the successful bidder in the performance of the contract of sale created by such acceptance, or in the event of failure by the successful bidder to consummate the transaction, the deposit, together with any payments subsequently made on account, may be forfeited at the option of the Government, in which event the bidder shall be relieved from further liability, or without forfeiting said deposit and payments, the Government may avail itself of any legal or equitable rights it may have under the bid or contract of sale.

- ## **12. GOVERNMENT LIABILITY:**
- If the Bid for Purchase of Government Property is accepted by the Government (Seller) and: (1) Seller fails for any reason to perform its obligations as set forth herein; or (2) Title does not transfer or vest in the successful bidder (Purchaser) for any reason, although Purchaser is ready, willing, and able to close, Seller shall

promptly refund to Purchaser all amounts of money Purchaser has paid, without interest, whereupon Seller shall have NO further liability to Purchaser.

13. TITLE EVIDENCE: Any title evidence that may be desired by the successful bidder, will be procured by the bidder at its sole cost and expense. The Government will, however, cooperate with the successful bidder or its authorized agent in this connection, and will permit examination and inspection of such deeds, abstracts, affidavits of title, judgments in condemnation proceedings, or other documents relating to the title of the premises and property involved, as it may have available. It is understood that the Government will not be obligated to pay for any expense incurred in connection with title matters or survey of the property.

14. TITLE: If a bid for the purchase of a property is accepted, the Government's interest will be conveyed by a Quitclaim Deed and/or where appropriate, a bill of sale in conformity with local law and practice. The Government does not pay for title insurance but the Purchaser may wish to acquire a title insurance policy from a local title company.

15. TENDER OF PAYMENT AND DELIVERY OF INSTRUMENT(S) OF CONVEYANCE: The Government shall set a sale closing date, said date to be not later than 60 calendar days after acceptance of the bid. On the closing date, the successful bidder shall tender to the Government, by cashier's check, certified check, U.S. Postal Service money order (made payable to the U.S. General Services Administration) or credit card payment (Visa or MasterCard only), the balance of the purchase price. Upon such tender being made by the successful bidder, the Government shall deliver to the successful bidder the instrument, or instruments, of conveyance. The Government reserves the right to extend the closing date for a reasonable amount of time for purposes of preparing necessary conveyance documents. In any event, if possession was assumed by the successful bidder prior to the date of conveyance, the successful bidder shall pay, in addition to the purchase money due, an amount determined in accordance with paragraph 7., above, if applicable.

16. DELAYED CLOSING: The successful bidder shall pay interest on the outstanding balance of the purchase price if the closing of the sale is delayed, and the delay is caused, directly or indirectly, by the successful bidder's action and not by any action on the part of the Government. The interest rate shall be computed based on the yield of 10-year United States Treasury maturities as reported by the Federal Reserve Board in "Federal Reserve Statistical Release H.15" plus 1½% rounded to the nearest one-eighth percent (1/8%) as of the date of bid acceptance. The Government reserves the right to refuse a request for extension of closing.

17. DOCUMENTARY STAMPS AND RECORDING COSTS: The successful bidder shall pay all taxes and fees imposed on this transaction and shall obtain at bidder's own expense and affix to all instruments of conveyance and security documents such revenue and documentary stamps as may be required by Federal and local law. All instruments of conveyance and security documents shall be placed on record in the manner prescribed by local recording statutes at the successful bidder's expense. **A CONFORMED COPY OF THE RECORDED Quitclaim Deed shall be provided to:** U.S. General Services Administration, Property Disposal Division (1PRC), 230 South Dearborn Street, Room 3774, Chicago, IL 60604.

18. CONTRACT: The Invitation for Bids, and the bid when accepted by the Government, shall constitute an agreement for sale between the successful bidder and the Government. Such agreement shall constitute the whole contract to be succeeded only by the formal instruments of transfer, unless modified in writing and signed by both parties. No oral statements or representations made by, or for, or on behalf of either party shall be a part of such contract. Nor shall the contract, or any interest therein, be transferred or assigned by the successful bidder without consent of the Government, and any assignment transaction without such consent shall be void.

19. OFFICIALS NOT TO BENEFIT: No member of, or delegate to the Congress, or resident commissioner, shall be admitted to any share or part of the contract of sale or to any benefit that may arise therefrom, but this

provision shall not be construed to extend to the contract of sale if made with a corporation for its general benefit. GSA employees are prohibited from bidding on the property offered in the IFB.

20. COVENANT AGAINST

CONTINGENT FEES: The successful bidder warrants that he or she has not employed or retained any person or agency to solicit or secure this contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Government the right to annul the contract without liability or in its discretion to recover from the successful bidder the amount of such commission, percentage, brokerage, or contingent fee in addition to the consideration herewith set forth. This warranty shall not apply to commissions payable by the successful bidder upon the contract secured or made through bona fide established commercial agencies maintained by the successful bidder for the purpose of doing business. "Bona fide established commercial agencies" has been construed to include licensed real estate brokers engaged in the business generally.

21. SALE AND CONVEYANCE:

The sale and conveyance of the Property shall be made subject to the following: (1) All covenants, easements, reservations, restrictions, and encumbrances, whether of record or not. (2) Any statement of facts which a physical inspection and accurate survey of the property may disclose.

SPECIAL TERMS OF SALE FOR ONLINE AUCTION

1. **METHOD OF SALE:** This property will be sold by online auction. The bid that offers the greatest return to the Government may be accepted.

any party in possession after the date of this conveyance that either;

 - (i) results in a release or threatened release of a hazardous substance that was not located on the Property on the date of this conveyance; **OR**
 - (ii) causes or exacerbates the release or threatened release of a hazardous substance the existence and location of which was known and identified to the applicable regulatory authority as of the date of this conveyance.
2. **ENVIRONMENTAL CERTIFICATION:**
 - a. **NOTICE REGARDING HAZARDOUS SUBSTANCE ACTIVITY.** Pursuant to 40 CFR 373.2 and Section 120(h)(3)(A)(i) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (CERCLA)(42 U.S.C. § 9620(h)(3)(A)(i)), and based upon a complete search of agency files, the United States gives notice that no hazardous substances have been released or disposed of, or stored for one year or more, on the Property.
 - b. **CERCLA COVENANT.** The Quitclaim Deed by which this Property shall be conveyed will include this language: Grantor warrants that all remedial action necessary to protect human health and the environment has been taken before the date of this conveyance. Grantor warrants that it shall take any additional response action found to be necessary after the date of this conveyance regarding hazardous substances located on the Property on the date of this conveyance.
 - (1) This covenant shall not apply:
 - (a) in any case in which Grantee, its successor(s) or assign(s), or any successor in interest to the Property or part thereof is a Potentially Responsible Party (PRP) with respect to the Property immediately prior to the date of this conveyance; **OR**
 - (b) to the extent but only to the extent that such additional response action or part thereof found to be necessary is the result of an act or failure to act of the Grantee, its successor(s) or assign(s), or
 - (2) In the event Grantee, its successor(s) or assign(s), seeks to have Grantor conduct or pay for any additional response action, and, as a condition precedent to Grantor incurring any additional cleanup obligation or related expenses, the Grantee, its successors(s) or assign(s), shall provide Grantor at least 45 days written notice of such a claim and provide credible evidence that:
 - (a) the associated contamination existed prior to the date of this conveyance; and
 - (b) the need to conduct any additional response action or part thereof was not the result of any act or failure to act by the Grantee, its successor(s) or assign(s), or any party in possession.
 - c. **ACCESS.** Grantor shall reserve a right of access to all portions of the Property for environmental investigation, remediation or other corrective action. This reservation includes the right of access to and use of available utilities at reasonable cost to Grantor. These rights shall be exercisable in any case in which a remedial action, response action or corrective action is found to be necessary after the date of this conveyance, or in which access is necessary to carry out a remedial action, response action, or corrective action on adjoining property. Pursuant to this

reservation, the United States of America, and its representative officers, agents, employees, contractors and subcontractors shall have the right (upon reasonable advance written notice to the record title owner) to enter upon the Property and conduct investigations and surveys, to include drilling, test-pitting, borings, data and records compilation, and other activities related to environmental investigation, and to carry out remedial or removal actions as required or necessary, including but not limited to the installation and operation of monitoring wells, pumping wells, and treatment facilities. Any such entry, including such activities, responses or remedial actions, shall be coordinated with record title owner and shall be performed in a manner that minimizes interruption with activities of authorized occupants.

3. NOTICE OF THE PRESENCE OF ASBESTOS: WARNING!

- a. The Purchaser is warned that the property offered for sale contains asbestos-containing materials. Unprotected or unregulated exposures to asbestos in product manufacturing, shipyard, and building construction workplaces have been associated with asbestos-related diseases. Both the Occupational Safety and Health Administration (OSHA) and the Environmental Protection Agency (EPA) regulate asbestos because of the potential hazards associated with exposure to airborne asbestos fibers. Both OSHA and EPA have determined that such exposure increases the risk of asbestos-related diseases, which include certain cancers and which can result in disability or death.
- b. Bidders are invited, urged, and cautioned to inspect the property to be sold prior to submitting a bid. More particularly, bidders are invited, urged, and cautioned to inspect the property as to its asbestos content and any hazardous or environmental conditions relating thereto. GSA will assist bidders in obtaining any authorization(s) which may be required in order to carry out such inspection(s). Bidders shall be deemed to have relied solely on their own judgment in assessing the overall condition of all or any portion of the property, including any asbestos hazards or concerns.

- c. No warranties, either express or implied, are given with regard to the condition of the property including, without limitation, whether the property does or does not contain asbestos or is or is not safe for a particular purpose. The failure of any bidder to inspect or to be fully informed as to the condition of all or any portion of the property offered will not constitute grounds for any claim or demand for adjustment or withdrawal of a bid after its tender.

- d. The description of the property set forth in the Invitation for Bids and any other information provided herein with respect to said property is based on the best information available to GSA's Property Disposal Division and is believed to be correct, but any error or omission, including but not limited to the agency having custody over the property and/or any other Federal agency, shall not constitute grounds or reason for nonperformance of the contract of sale or any claim by the Purchaser against the Government including, without limitation, any claim for allowance, refund, or deduction from the purchase price.

- e. The Government assumes no liability for damages for personal injury, illness, disability, or death to the Purchaser, or to the Purchaser's successors, assigns, employees, invitees, or any other person subject to Purchaser's control or direction, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the property which is the subject of this sale, whether the Purchaser, its successors or assigns has or have properly warned or failed to properly warn the individual(s) injured.

- f. The Purchaser further agrees that, in its use and occupancy of the property, it will comply with all Federal, state, and local laws pertaining to asbestos.

4. NOTICE OF LEAD-BASED PAINT FOR NON-RESIDENTIAL REAL PROPERTY CONSTRUCTED

PRIOR TO 1978: Every purchaser of any interest in real property on which a building was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to converting the property to a residential dwelling.

5. OTHER EASEMENTS: The property will be conveyed subject to any and all existing reservations, easements, restrictions, and rights, recorded and unrecorded, for private and public roads, highways, streets, pipelines, railroads, utilities, water lines, sewer mains and lines, storm sewers and drains, and other rights-of-way, including, but not limited to, any specific easements, restrictions, rights, or covenants set forth above.

6. REJECTION: The Government reserves the right to reject any and all bids.

7. SELLER'S DEFAULT: If a bid is accepted and Seller fails for any reason to perform its obligations as set forth herein, or title to the property does not transfer and vest in the Purchaser for reasons outside the Purchaser's control, Seller shall promptly refund to Purchaser all amounts paid by Purchaser, without interest, whereupon Seller shall have no further liability to Purchaser.

8. LIABILITY: With respect to any claim against the Government, the extreme measure of the Government's liability shall not, in any event, exceed refund of the purchase price or such portion thereof as the Government may have received.

9. HISTORIC PRESERVATION

COVENANTS: The Property is eligible for listing on the National Register of Historic Places. The Quitclaim Deed, by which this

Property will be transferred, will contain the following historic preservation covenants:

a. Grantee shall maintain and preserve the Property in accordance with the recommended approaches in *The Secretary of the Interior's Standards for Treatment of Historic Properties* in order to preserve and enhance the distinctive materials, features, and spaces that make the Property eligible for inclusion in the National Register of Historic Places.

b. Distinctive materials, features, finishes, construction techniques, examples of craftsmanship, landscape features, and open spaces that characterize the Property shall be preserved.

c. Plans for proposed rehabilitation, new construction (of additions, new buildings, and structures such as fences), building alteration, terrain alteration, and landscaping which would affect the historical or structural integrity of the Property shall be reviewed and approved by the State Historic Preservation Officer ("SHPO") for consistency with *The Secretary of the Interior's Standards for Treatment of Historic Properties*.

d. The Grantee will properly maintain the property and protect it against deterioration. The Grantee will not permit the property to fall into a serious state of disrepair or to remain in a serious state of disrepair so as to materially impair the integrity of the property or historic district.

e. In the event archaeological resources are discovered during the course of any project involving ground-disturbing activity at the Property, Grantee, shall immediately contact the SHPO and enter into consultations to determine appropriate steps to be taken to protect such archaeological resources. In the event that such discoveries include human remains, the requirements of the Minnesota Private Cemeteries Act and any other state statutes pertaining to human remains will be addressed.

f. The SHPO shall be permitted at all reasonable times to inspect the Property in order to ascertain if the above conditions are being observed.

g. In the event that the Property, or any associated historic artifact associated with the Property ceases to be maintained in compliance with the covenants, conditions, and restrictions set forth

in this section, in addition to any remedy now or hereafter provided by law, the SHPO may, following reasonable written notice to Grantee, institute suit to enjoin said violation or to require restoration of the Property.

- h.** The covenants, conditions and restrictions contained herein shall be inserted by the Grantee verbatim or by express reference in any deed or other legal instrument by which it divests itself of either the fee simple title of any other lesser interest in the Property.
- i.** the Grantee agrees that the SHPO may, at its discretion, without prior notice to the Grantee, convey and assign all or part of its rights and responsibilities contained herein to a third party.
- j.** The failure of the SHPO to exercise any right or remedy granted under this instrument shall not have the effect of waiving or limiting the exercise of any other right or remedy or the use of such right or remedy at any other time.
- k.** The covenants, conditions, and restrictions set forth in this Historic Preservation Covenant shall constitute a binding servitude upon the Property and shall be deemed to run with the land.

INSTRUCTIONS TO BIDDERS FOR ONLINE AUCTION

1. AUCTION START DATE: The online auction starts: Tuesday, August 29, 2006, 3:00 P.M. Eastern Time.

2. TYPE OF SALE: This sale will be an online auction conducted via the Internet and by submission of written or faxed bids. The auction will be conducted over a period of several weeks or until the property is sold. The date for receipt of final bids will be announced on the Internet and on a telephone hotline message with three days prior notice (see Paragraph 11 in this section, Call for Final Bids). The auction may continue beyond that date as long as bidders are willing to submit higher bids. Thus, the bidders determine when the sale closes by their bidding activity.

3. BIDS AND TERMS OF SALE: Bids to purchase must be on an ALL CASH basis only. Buyers are expected to arrange their own financing and to pay the balance in full by the closing date. No government credit terms are available. GSA has no information on the availability of private financing or on the suitability of this property for financing.

4. REGISTRATION DEPOSIT:

a. A registration deposit in the amount of **TEN THOUSAND DOLLARS (\$10,000.00)** must accompany your Bidder Registration and Bid Form. The following methods of payment are acceptable: (1) cashier's check, (2) certified check, (3) U.S. Postal Service money order, and (4) credit card payment (Visa or MasterCard only). Personal or company checks are **NOT** acceptable and will be returned to sender. To register to bid and if you are prepared to make an initial bid, please complete the enclosed Bidding Registration and Bid Form for Purchase for Government Property and send the form with your bid deposit to:

U.S. General Services Administration
Property Disposal Division (1PR)
Thomas P. O'Neill Federal Building
10 Causeway Street, Room 925
Boston, Massachusetts 02222
Attn: Lisa Faletra

b. Please make your check payable to: **"U.S. General Services Administration"**

Deposits by credit card (either Visa or MasterCard) may be made over the Internet by following the instructions on the web site: <http://www.auctionrp.com> or by using the enclosed Registration Deposit by Credit Card form. **Only upon GSA's receipt of your registration deposit will you be allowed to bid online or by the submission of a written faxed bid.**

c. Within twenty-four (48) hours of acceptance of an offer by the Government, the successful bidder agrees to deposit an additional amount, if any, which when added to the bid deposit, will equal at least ten percent (10%) of the amount bid. Failure to so provide such bid deposit shall require rejection of your bid.

d. Upon acceptance of a bid, the appropriate bid deposit of the successful bidder shall be applied towards payment of the successful bidder's obligation to the Government. The full balance of the purchase price is payable within sixty (60) calendar days after award. At the time of closing, all cash money paid by the Purchaser will be credited, without interest, toward the total purchase price.

e. Registration deposits received from the two highest bidders will be held as stipulated in Paragraph 14. All other registration deposits will be returned.

5. BIDDER REGISTRATION AND BIDS:

a. Bidder registration and subsequent bids must be submitted on the official Bid Form titled "Bidder Registration and Bid Form for Purchase of Government Property" accompanying this IFB. All information and certification requested thereon must be provided. **Bidder registration and bids submitted which fail to furnish all information or certifications required may be summarily rejected.** Additional bid forms are available upon request or you may photocopy the forms in this IFB.

b. The Bidder Registration and Bid Form should be filled out legibly with all erasures, strikeouts, and corrections initialed by the person signing the bid. The Bid Form must be signed and dated.

c. To register online, bidders should return to GSA their original signed and completed Bidder Registration and Bid Form. Bidders should retain all other documents, including one copy of the Bidder Registration and Bid Form, for personal records.

6. USER IDENTIFICATION NUMBER:

A User Identification ("ID") number and password are used to register online and to place bids online. If you register online, you will be required to assign your own User ID (limited to eight (8) characters) and password. **Since the User ID is used to publicly identify bids, and for your privacy, we strongly encourage you to create your User ID in a manner that protects you or your company's identity.** If you do not register online, a User ID and password will be assigned to you. The User ID must be on the bid form when submitting bid increases, by mail or fax. The User ID number will be used to identify the bidders on the recorded hotline and on our auction web page, <http://www.auctionrp.com>.

7. BIDDING IN GENERAL:

a. Bids may be delivered to our office either in person, by fax, by U.S. Mail, by private delivery services, or via the Internet at: <http://www.auctionrp.com>.

b. Bidders who registered online may increase their bids by following the instructions at [auctionrp.com](http://www.auctionrp.com). They may also submit increased bids in person, by fax, U.S. Mail, or private delivery services. By submitting your bid through [auctionrp.com](http://www.auctionrp.com), you agree that your Internet bid is a binding offer. You will be legally obligated for any and all bids submitted using your ID number and password on the Internet.

c. Bids must be submitted without contingencies.

d. Bids that are not submitted on GSA forms will be rejected.

8. FAXING YOUR BID:

a. Bids by fax may be made with a credit card (either Visa or MasterCard) by using the deposit form in the bid package. By faxing your bid, you are agreeing that your faxed bid is a binding offer. Faxed bids must be completely filled out and

signed. The 24-hour fax number for increased bids or initial bids is **(617) 565-5720**.

b. A bid submitted by fax must arrive at the place and by the date and time that the Government has specified as the deadline for receipt of bids. If a bidder chooses to transmit a bid by fax, the Government will not be responsible for any failure attributable to the transmission or receipt of the faxed bid, including, but not limited to, the following: 1) Receipt of a garbled or incomplete bid. 2) Availability or condition of the receiving facsimile equipment. 3) Incompatibility between the sending and receiving equipment. 4) Delay in transmission or receipt of bid. 5) Failure of the bidder to properly identify the bid. 6) Illegibility of bid. 7) Security of bid.

c. If your faxed bid is not reflected on the GSA Property Disposal Hotline recording or on the web page, and your bid is higher than the announced bid, you must call GSA at **(617) 565-5700** for verification that your bid was received.

9. DAILY BIDDING RESULTS: Bidders may call GSA's 24-hour bid hotline at 1-800-241-1417, to hear the current high bid. Bidders may also visit our online auction web site at: <http://www.auctionrp.com> to obtain current bidding information. The bid hotline will be updated each business day (excluding Federal Holidays and weekends) with the highest bid received. Bidders will be notified via the web page when bidding will be closed. If your bid is not accurately shown on the web page, then you should call GSA at (617) 565-5700. Bidders are urged to pay close attention to the recording and web page, which will contain new, revised and useful information regarding the high bid, modification to bid increment, and the closing date of the auction.

10. INCREASING YOUR BID: If you learn from the recorded message or from the web page that your bid was not the high bid, you may increase the high bid until such time as bidding is closed. Increases in previously submitted bids are welcome and the bid deposit from your first bid will apply to subsequent increased bids. Increased bids must be submitted on the official GSA bid forms unless you are bidding online. Official bid forms may be photocopied. Increased bids must be at least Five Thousand Dollars (\$5000.00) more than the previous high bid in order to be considered. **The Government reserves the right to modify the minimum bid increment at any time prior to the close of the sale.** To increase a previously submitted bid, bidders may use one of

the following methods: in person, by fax, U.S. mail, private delivery services, or online at www.auctionrp.com. In the event that two bids of equal value are received via U.S. mail, fax, online, etc., the first bid received will be recognized.

11. CALL FOR FINAL BIDS: Once bidding slows down, a date will be set for the receipt of final bids. That date will be announced on the web page. On that date, referred to as the "soft close date", commencing at 9:00 a.m., Eastern Time, if no increased bid is received by 3:00 p.m. Eastern Time, then bidding will close at 3:00 p.m. and consideration will be given to selling the property to the high bidder. If an increased bid is received on a timely basis, then bidding will be continued over until the **next business day** on the same terms. Eventually, no one will outbid the high bidder and bidding will close at 3:00 p.m. Eastern Time on that day. **The Government reserves the right to increase the minimum bid increment once the soft close date has been established.** There is no advantage to waiting until the last minute to bid.

12. BID EXECUTED ON BEHALF OF BIDDER:

a. A bid executed by an attorney or agent on behalf of the bidder shall be accompanied by an authenticated copy of their Power of Attorney or other evidence of their authority to act on behalf of the bidder.

b. If the bidder is a corporation, the Certificate of Corporate Bidder must be executed. The certificate must be executed under the corporate seal by some duly authorized officer of the corporation other than the officer signing the bid. In lieu of the Certificate of Corporate Bidder, there may be attached to the bid, copies of so much of the records of the corporation as will show the official character and authority of the officer signing duly certified by the secretary or assistant secretary, under the corporate seal, to be true copies.

c. If the bidder is a partnership, and all partners sign the bid with a notation that they are all general partners, the Government will not ordinarily require any further proof of the existence of the partnership. If all the partners do not sign the bid, then the names of all those except limited partners must be furnished on the bid and the Government, in its discretion, may require evidence of the authority of the signer(s) to execute the bid of behalf of the partnership.

d. If the bidder is a Limited Liability Corporation (LLC), a Certificate of the LLC must be completed and executed by the manager.

13. WAIVER OF INFORMALITIES OR IRREGULARITIES:

The Government may, at its election waive any minor informality or irregularity in bids received.

14. BACKUP BIDDER: The second-highest bidder will be the backup bidder. If the high bidder is unable to consummate the transaction, the second highest bidder may then be considered for award. The backup bidder's deposit will be retained, without interest, until the first high bidder has increased their initial bid deposit to the required 10% of the purchase price. Subsequently, the bid deposit of the second high bidder will be returned by mail immediately thereafter. In the event that the Government is unable to make an award to the highest or second-highest bidder, the Government reserves the right to negotiate with the remaining bidders and make an award that is in the best interest of the Government.

15. ACCEPTABLE BID: An acceptable bid is one received from a responsible bidder, whose bid, conforming to this IFB, will be most advantageous to the Government, price and other factors considered.

16. NOTICE OF ACCEPTANCE OR REJECTION:

Notice by the Government of acceptance or rejection of the bid shall be deemed to have been sufficiently given when faxed or mailed to the bidder or his duly authorized representative at the fax/phone number or address indicated in the bid. The processing of a bid deposit by the Government shall not, in itself, constitute acceptance of the bidder's offer. The Government reserves the right to reject any and all bids or portions thereof.

17. ADDITIONAL INFORMATION: The GSA issuing office at the address given in this IFB, will, upon request, provide additional copies of this IFB and answer requests for additional available information requests concerning the Property offered to facilitate preparation of bids. Each bid shall be deemed to have been made with full knowledge of all terms, conditions, and requirements contained in this IFB.

**BIDDER REGISTRATION AND BID FOR
PURCHASE OF GOVERNMENT PROPERTY**

Three historic buildings on 2.2 acres
Cass County, Remer, Minnesota
GSA Control No. 5-D-MN-548-A

General Services Administration
Property Disposal Division (1PR)
10 Causeway Street, Room 925
Boston, MA 02222
Attn: Lisa Faletra/Alyssa Kennedy

Check One:

Initial Bid _____

Increased Bid _____

Fax: 617-565-5720

The undersigned bidder hereby offers and agrees to purchase the property described in the Invitation for Bid No. IPRC-06-012, including any amendments, (collectively the "IFB") for the bid amount listed below. The Bidder further agrees that said offer is made subject to the terms and conditions of the IFB, which by this reference is incorporated in the bid and made a part of the bid.

REGISTRATON DEPOSIT: \$10,000.00

BID AMOUNT: _____

In the event this bid is accepted, the instrument of conveyance should name the following as grantee(s): _____

Indicate above the manner in which title is to be taken (e.g., Solo and Separate Property, Joint Tenants, Tenants in Common, Community Property). Include name of spouse if applicable.

BIDDER REPRESENTS that he/she operates as (check one):

_____ an individual

_____ an individual doing business as: _____

_____ a partnership, consisting of: _____

_____ a limited liability partnership, consisting of: _____

_____ a corporation, incorporated in the state of _____

_____ a limited liability corporation, incorporated in the state of _____

_____ a trustee, acting for: _____

NAME: _____

ADDRESS: _____

CITY/STATE/ZIP CODE: _____

TELEPHONE NUMBER: _____ FAX: _____

E-mail address: _____

Signature of person authorized to sign bid

Date

Signer's name and title (type or print)

THE GOVERNMENT RESERVES THE RIGHT TO REJECT ANY AND ALL BIDS.

CERTIFICATE OF CORPORATE BIDDER

(for use with Bidder Registration and Bid Form for Purchase of Government Property)

I, _____, certify that I am _____
(Secretary or other official title)

of the Corporation (or Limited Liability Corporation) named as bidder herein; that

_____, who signed this bid on behalf of the bidder, was

then _____ of said Corporation (or Limited Liability

Corporation); that the bid was duly signed for and on behalf of said Corporation (or

Limited Liability Corporation) by authority of its governing body and is within the scope

of its corporate powers.

Signature of Certifying Officer: _____

(SEAL)

REGISTRATION DEPOSIT BY CREDIT CARD

Three historic buildings on 2.2 acres
Cass County, Remer, Minnesota

To: General Services Administration
Property Disposal Division (1PR)
10 Causeway Street, Room 925
Boston, MA 02222
Attn: Lisa Faletra/Alyssa Kennedy

Fax Number: (617) 565-5720

THIS FORM MAY BE SUBMITTED BY FAX.

By completing this form and signing in the space provided below, applicant agrees to abide by the terms and conditions set forth in the Invitation for Bids #1PRC-06-012, including any amendments, (collectively the "IFB") for the property identified above. Applicant must be the authorized cardholder and agrees that his/her/its credit card will be debited the full amount of the registration deposit, as specified in the "Instructions to Bidders for Online Auction" paragraph # 4, Registration Deposit. In the event that applicant is the successful bidder, the registration deposit will be applied towards the purchase price for the property. In the event that applicant is not the successful bidder, the registration deposit will be credited to the credit card account listed below.

Applicant's Last Name: (please print) _____

First Name: _____ M.I. _____

Address: _____

City: _____ State: _____ Zip Code: _____

My card number is: Visa _____ Master Card _____

Expiration: __/__/__

Name as it appears on card: _____

Driver's License No. _____ State _____

E-mail address: _____

Telephone number: _____ Fax: _____

Signature: _____ Date: _____

REGISTRATION DEPOSIT BY CHECK
MISSISSIPPI RIVER HEADWATERS LAKES PROJECT OFFICE
307 MAIN STREET EAST
REMER, MINNESOTA

To: General Services Administration
Property Disposal Division (1PR)
10 Causeway Street, Room 925
Boston, MA 02222
Attn: Alyssa Kennedy

Fax Number: (617) 565-5720

REGISTRATION DEPOSIT : \$10,000.00

Certified or Cashiers Check must be made payable to: U.S. General Services Administration

Name: _____

TIN or SS#: _____

Address: _____

City/State/Zip Code: _____

Telephone Number: _____ **Fax:** _____

E-mail address: _____

Address to which refund check will be issued (if unsuccessful bidder) if different from above:

Name: _____

TIN or SS#: _____

Address: _____

City/State/Zip Code: _____

By completing this form and signing in the space provided below, applicant agrees to abide by the terms and conditions set forth in the Invitation for Bids # 1-PRC-06-012, including any amendments, (collectively the "IFB") for the property identified above. In the event that applicant is the successful bidder, the registration deposit will be applied towards the purchase price for the property. In the event that applicant is not the successful bidder, the registration deposit will be returned as indicated above.

Signature: _____ **Date:** _____

ACCEPTANCE BY THE GOVERNMENT

The foregoing bid for purchase of three historic buildings on 2.2 acres, Cass County, Remer, Minnesota, GSA Control Number 5-D-MN-548-A is accepted by and on behalf of the United States of America, acting by and through the General Services Administration, on this _____ day of _____, 2006.

Signature of
Contracting Officer: _____

Name and title of
Contracting Officer: _____

ELECTRONIC FUNDS TRANSFER (EFT) ENROLLMENT FORM

Privacy Act Statement Collection of this information is authorized by 31 U.S.C. 3332(g), 3325(d) and 7701(c) The information will be used by the Government to make payments by EFT to a vendor. This information may also be used for income reporting and for collecting and reporting on any delinquent amounts arising out of a vendor's relationship with the Government. Disclosure of the information by the vendor is mandatory. Failure to provide the requested information may result in the delay or withholding of payment to the vendor.

Use this form to enroll in Direct Deposit of your federal payment from the General Services Administration.

Company/Payee Name					
Address					
City		State		Zip	
Taxpayer ID Number (TIN)					

Financial Institution Name				
Financial Institution Phone Number ()	()			
Financial Institution Routing Transit Number (RTN)				
Depositor Account Title				
Depositor Account Number				
Account Type	[] Checking	[] Savings		
Company/Payee Contact Person				
Phone	()			
MUST HAVE SIGNATURE Company/Payee Authorized Signature				

FAX to Bill Russell at (816) 823-1048

Also FAX to Lisa Faletra at (617) 565-5720

